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IN THE

# Supreme Court of the United States

OCTOBER TERM, 1952.

No. 38.

SIDNEY STEELE, ET AL., *Petitioners*,

v.

BULOVA WATCH COMPANY, INC., *Respondent*.

**On Writ of Certiorari to the United States Court of Appeals for the Fifth Circuit.**

## APPENDIX III TO BRIEF FOR THE RESPONDENT.

TRANSLATION OF THE DECISION OF THE SECOND COURT OF THE SUPREME COURT OF MEXICO

in

SIDNEY STEELE v. SECRETARY OF THE NATIONAL ECONOMY.

October 6, 1952.

PRESS OF BYRON S. ADAMS, WASHINGTON, D. C.

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## TRANSLATION OF THE DECISION OF THE SECOND COURT OF THE SUPREME COURT OF MEXICO.[1]

Angel Salazar Arjona, Clerk of the Second Court of the Supreme Court of Justice of the Nation . . .

[1] A certified copy of the Mexican Court's decision in Spanish has been filed in this cause as an original document in the Office of the Clerk of this Court.

Certifies

That in Docket number 2221-51-1st, concerning the *amparo* suit brought by Sidney Steele against the Secretary of the National Economy, there is a document, among others therein contained, which is a Resolution, which literally says:

Mexico, Federal District.—Decision of the Second Court of the Supreme Court of Justice of the Nation, the sixth day of October of 1952.—The present *amparo* suit has been reviewed; and whereas: 1.—By petition presented Jan. 22, 1951, to the Second District Court of the Federal Court sitting in Administrative Matters, Carlos del Castillo, Attorney at law, as attorney and representative of the complainant, Mr. Sidney Steele, asked protection against the actions of the Secretary of the National Economy, which were stated to be: "the resolution number 1, issued by the responsible authority on the fourth of January of the current year (1951), in which the national mark number 33602, called "Bulova", the property of the complainant, which is used with reference to watches, was declared to be null; and the consequences and effects arising from said resolution.—2. The representative of the complainant set forth the circumstances leading up to the case, which he considered relevant, declaring that the actions complained of violated the guarantees contained in articles 14 and 15 of the Constitution.—3. The foregoing petition, having been accepted and heard and the third party affected having been summoned, on February 11, 1952, the District Judge held the final hearing and on April 25 following, duly gave his decision, which appears to have been as follows:

(FIRST). The courts of the Union do not protect or defend Sidney Steele against the actions of the Secretary of the National Economy, as described in the first whereas clause of this decision.—(SECOND) Personal notice shall be given. The decision is based upon the following considerations:

(FIRST). In the original document of Notice number 225, which contains the resolution complained of, is fully set forth the existence of said resolution, which therefore is in order, in accordance with articles 93, 129 and 202 of the Federal Code of Civil Procedure, which likewise have supplementary application here. Furthermore, in his report, supported by justification, the Secretary of Economy admits the existence of the act which is complained of, that is to say, the resolution declaring null national mark number 33602, called "Bulova". (SECOND). In the opinion of the Court, there are no grounds for dismissal of the suit and therefore it is pertinent to consider the allegations set forth in the petition. In the first place, the complainant declares: ". . . First.—The Secretariat, in issuing the resolution complained of, violated the guarantee contained in article 14 of the Constitution, since it did not observe the provisions of articles 229 and 230 in regard to Industrial Property, which should be applied in relation to article 232 of the Law [on Industrial Property] itself. In accordance with the provisions of the last article cited of the Law, when the Secretariat undertakes to issue, ex oficio, any declaration of the sort included in Title VI of the Law (among these declarations, it is clear, being that of nullity of a mark), it must give notice of this fact to the person presumed to be affected, in the manner provided for, indicating briefly the reasons and legal bases for the action that it intends to undertake. Now then, the requirement that such notice be given in the manner provided for cannot be interpreted as meaning any manner other than that provided for in the Law itself in regard to notice of a complaint having reference to an appeal from declarations made by administrative officials, presented in the form of a petition by a party in whose case the provisions of article 229 are controlling; such petition must be in writing, accompanied by the documents or evidence on which the complaint is based, and said complaint must as provided for in article 230, be brought to the knowledge of the owner

of the mark, to whom a copy of such complaint shall be sent, and a period shall be set within which the evidence on which the nullity of the registration is to be founded must be presented. In the instant case, the responsible authority, in carrying out article 232 of the Law on Industrial Property, did so in partial form, omitting in a manner not fully explained, to fulfil the requirements of that article, upon the observance of which other related provisions of law are founded; i.e., such a provision must be related to other provisions that concern similar matters, since the complaint is required to be in a particular form, i.e., in conformity with the provisions of the preceding articles, which also govern the procedure that must be followed in issuing the administrative declarations referred to. In this case, the requirements outlined above were not carried out, since on drawing up Notice 25194 of Nov. 22 of 1950, which was addressed to Mr. Sidney Steele, the reasons for the declaration of nullity of the mark in his possession were not set forth in an exact though brief manner, nor was indication made of the facts and evidence on which this intended action was based, nor indeed, as the text of the document itself shows, was the evidence brought forward upon which the nullity of the registration of the mark was based; it is therefore clear that the articles of the Law of Industrial Property were violated to his injury, through failure to carry out the provisions of these articles exactly, and as a consequence, the guarantee contained in article 14 of the Constitution was also violated to his prejudice, this article providing that no one may be deprived of his property, possessions, or rights, except by means of legal proceedings carried out before courts already established, in which the essential procedural formalities are fulfilled and in accordance with laws adopted prior to such proceedings. The above-described allegation of a violation becomes a double injury to the complainant, caused by the responsible authority, since on the one hand the guarantee of a hearing established by said constitutional provision

was not fulfilled, and on the other hand, the administrative proceeding for the nullity of the mark was not initiated in conformity with the procedural formalities set forth in the Law of Industrial Property.—Therefore the present allegation of a violation has validity, basically because of the irregular procedure followed by the responsible authority in issuing the document complained of. The full proof of the violations committed is to be found in the document containing the definitive resolution of nullity of the mark, when the Secretariat, in paragraph III of the Chapter of the antecedents of the resolution itself, indicated the considerations and evidence on which the proceeding for declaring the nullity of the mark was based; which inexplicably the Secretariat failed to do on informing the owner of this registered mark of the initiation of the proceeding; for it cannot be held that this was done merely by stating that he recognized the mark and knew it to be used in the Republic at the time application was made for registration, without making known to him all the elements on which such a statement was based, all this being based on the evidence presented in another controversy in which it was resolved to deny a declaration of illegal use of such mark, and since in such other controversy matters distinct from that of the nullity of the mark were decided, the owner of the mark cannot with certainty know what evidence was related to the matter of the nullity of the mark and what was not. From all that has been set forth above, it is obvious that it was not sufficient, as the Secretariat assured him, when an ex oficio proceeding to declare the nullity of a mark is undertaken, merely to inform the person presumed to be affected that the proceedings have been initiated to declare such a nullity, nor in such a case, that said proceeding will be simplified because the petition is omitted since it has been shown that the procedure in all cases is the same and only differs when no controversy exists concerning the rights of another private party or of the Federation . . .". Summing up the pre-

ceding complaint, according to the complainant, there was a double violation of article 14 of the Constitution, consisting of: a).—The guarantee of a hearing was not complied with; b).—The initiation of the administrative proceeding was not made in accordance with the law applicable to the case, since the procedural formalities set forth in the Law of Industrial Property were not fulfilled. This double violation was caused, according to the complainant by the [administrative] authority, who failed to observe articles 229, 230 and 232 of the said Law, in Notice number 25194, that is to say: The reasons upon which the nullity was to be declared were not set forth in a precise, brief form; 2.—The facts or evidence on which this intended action was based were not indicated; 3.—The complainant was not notified, so that he could take note of the evidence on which the said nullity of the mark was to be based. In order to decide whether the cited allegation of a violation has foundation or not, it is necessary to analyze article 232 of the cited Law and the Notice referred to, in order to see if the injuries mentioned by the complainant exist or not. Article 232 of the Law of Industrial Property says: "... When the Secretariat of National Economy considers it in order to make any ex oficio declaration included in the present Title, it shall notify the party presumed to be affected in the manner provided for, indicating to him briefly the reasons and legal bases of the action which it intends to undertake, in order that he will have an opportunity to weigh the considerations and to present evidence he may consider relevant, within the obligatory period provided for this purpose." This provision governs the form in which the Secretariat of Economy must initiate the proceeding for an ex oficio declaration of the nullity of a mark (a power granted to it by article 208 of said Law). The procedure is as follows: a).—It must notify the party presumed to be affected, in writing and at his domicile, according to article 230 of the said Law, of the initiation of the

proceeding; b).—It must indicate in the notice, or writing, briefly, the reasons and legal bases of the action it intends to undertake; c).—It must indicate to the party affected or presumed to be affected, a period in which he may contest the validity of the considerations believed to be relevant and present his evidence. In this case, the Secretariat considered it proper to initiate ex oficio a proceeding to declare the nullity of the mark "Bulova", and to that end drew up Notice 25194, which was communicated to the complainant, which fact the latter admits in his complaint, saying: ". . . 2. As is proved by Notice number 25194 of Nov. 22, 1950, which accompanies this complaint, the General Administrative Office of Industrial Property, an agency of the Secretariat of National Economy, informed my representative of the following: "You are hereby notified that proceedings have been initiated by this Secretariat to declare ex oficio the nullity of the mark in your possession denominated "Bulova", number 33602. . ." (an assertion fully proven in accordance with article 200 of the Procedural Code cited). Said notice declares: ". . . That proceedings to declare the nullity of the national mark "Bulova" number 33602 are hereby initiated, based on the last part of section V of the Law of Industrial Property. Mexico, D.F., Nov. 22, 1950. To Mr. Sidney Steele. Cinco de Mayo No. 43, City. You are hereby notified that proceedings by this Secretariat to declare the nullity of the mark in your possession denominated "Bulova", number 33602, are herewith initiated. It is considered appropriate to initiate this proceeding based on the last part of section V of article 200 of the Law of Industrial Property, by virtue of which it is considered that the applicant for the mark referred to recognized this name and knew that if was used in the Republic prior to the request for registration. In effect, in conformity with the considerations set forth in the administrative declaration number 94, denying the illegal use of the "Bulova" mark, number 33602, and communicated

to you by notice 24844 of the 16th of the current month, it is obvious from the evidence presented in that controversy that the mark was already known in the Mexican Republic prior to the year 1933, in which its registration was applied for. In this respect, and in accordance with article 232 of the Law of Industrial Property, you are granted a period terminating on December 22 next in which you may have the opportunity to bring up considerations you believe to be relevant and to present evidence in your favor, with the understanding that at the expiration of said period the question will be decided, on the basis of the matters presented in the case and on the provisions of law and administrative regulations in effect. Very truly yours. EFFECTIVE SUFFRAGE. NO REELECTION. The Director General, César Sepulveda. Signed."—From the text quoted it is clearly apparent that the responsible authority complied exactly with the provisions of said article 232, since it indicated the legal basis for initiating the proceeding (section V, last part of article 200 of the cited Law), and the reasons for its action, indicating the evidence on which said action was based by saying that the proceeding was initiated in accordance with the considerations contained in resolution number 94, also communicated to the complainant by notice 24844 of Nov. 16, 1950 (against which *amparo* suit 2048-50 was brought in this same Court), a resolution which contained the following statement: ". . . Special considerations . . . Third. Now then, we shall proceed to determine if the registration of mark number 33602 is valid or if, on the contrary, it must be annulled, as having been obtained in bad faith, as the defendants affirm.—Article 76 of the Regulations for the Law on Marks and Commercial Notices, published in the *Diario Oficial* of Dec. 31, 1928, establishes in its paragraph II that, in accordance with the provisions of article 6bis of the International Convention for the Protection of Industrial Property of March 20, 1883, revised at the Hague in 1925, the nullity of marks registered in bad faith

may be petitioned for at any time; therefore, applying this principle, (as also set forth in the cited article 6bis of the Convention of the Union of Paris referring to marks registered in bad faith), to the present case, (which is concerned with a foreign company having the right to protection by said International Treaty and the principles of International Law for the protection of Industrial Property) the nullity of the registration of mark 33602 must be considered, based on the provisions of the last paragraph of section V of article 200 of the Law in effect . . . In the light of the preceding considerations, it is established that the evidence referred to makes it obvious that Mr. Sidney Steele recognized the mark "Bulova", applied to watches, even before 1933, at the time he applied for the registration of said mark in the name of Sidney Steele and Company, Incorporated. Now then, the mark was applied for, as has been said, in the name of the said company. But it appears from the registration proceeding that the application was made personally by Sidney Steele, who signed it with a description of his status as agent of the company, and owner, almost the only owner, of said company, from which it must be inferred that the bad faith inures not only to Sidney Steele but also to the applicant company, since he acted on behalf of the latter, and that the recourse of applying for the mark in the name of a company merely indicates a subterfuge which does not free Sidney Steele from the bad faith attributed to him. There are furthermore other elements which lead one to presume the bad faith of Sidney Steele. The existence of the Bulova Watch Co., Inc. since 1911; the registrations of the Bulova mark which have been made in Mexico; the correspondence which passed between Sidney Steele and the Swiss Watch Confederation; the certifications issued by the Secretariat of Industrial Property of the Swiss Confederation; the sale of the Bulova watch in Mexico prior to 1933, date of the registration of mark 33602; the publication of the commercial name of the Bulova Watch

Co. in the Industrial Property Gazette; the professional activity of Sidney Steele, which legally and logically leads one to presume that he knew that in applying for the registration of the mark he was taking undue advantage of the world prestige of the latter; the inferior quality of the watches sold as "Bulova" by Sidney Steele, in contrast to the quality of those made by the Bulova Watch Co., Inc.; and the invariable principle that the usurper of a mark never produces articles of the best quality nor of greater price than that of the authentic articles; all these facts, together with the evidence that has previously been examined in this opinion leads ineluctably to the conclusion that the registration of the mark 33602 was obtained in bad faith. In these circumstances a second motive exists to establish the fact that the use made of the word "Bulova" by the Bulova Watch Co. Inc., is not an illegal use of mark 33602, since the latter had used it for many years as a mark, had registered it several times in other countries and had gained many customers for it, and therefore [said company] can not in equity or in law be held to be the illegal user of this mark solely through the malice of a third party who puts himself forward in bad faith to register the same name in our country, without having been a prior user of it. The present owner of mark 33602 formulates objections to the effect that these matters must not be resolved by this Secretariat, basing his objections on a decision of the Supreme Court of Justice of the Nation. In this regard it is necessary to hold that, as regards said decision, the points decided therein have the character of res judicata, confirming the declaration that this Secretariat issued denying the administrative declaration of nullity of mark 33602 for the purpose for which it was then invoked, but for no other. By virtue of the reasons set forth in the course of this opinion, the Secretariat would be empowered to resolve at once the nullity of mark 33602. Nevertheless, in order to give Mr. Steele better opportunity, in a separate proceeding conducted ex

oficio by this Secretariat, the administrative declaration of nullity of the mark in question will be carried out, subject to the procedure fixed in articles 232 and 233 of the Law governing the matter . . . It is Resolved: . . . IV.—At the appropriate time, the proceeding declaring the nullity of national mark number 33602, the property of Mr. Sidney Steele, will be initiated ex oficio, in fulfilment of the requirements of the Law to such effect . . . Finally, in the Notice number 25194, referred to, an obligatory period in which the action may be protested and evidence presented is established. As has been shown, the responsible authority fulfilled the mandate of article 232 of the Law on Industrial Property, and further complied with the applicable provisions of article 322 of the procedural law cited, since the whys and wherefores of the proceeding are clearly apparent from the transcribed Notice, i.e., the facts and bases on which the action is founded and the object it seeks to achieve. It may be concluded from the arguments previously presented that the allegation of a violation, thus analyzed, is unfounded and inconsistent. In effect, in Notice 25194, if the reasons are set forth why the mark "Bulova" is to be nullified, when it says: ". . . In effect, in accordance with the considerations set forth in administrative declaration number 94, denying the illegal use of the mark "Bulova", number 33602, notice of which was given to you by Notice 24844 of the 16th of the current month, the evidence presented in that controversy shows that the mark was already known in the Mexican Republic prior to the year 1933, in which registration was applied for . . ."; if it is also said, what is the evidence taken into consideration and the place where it may be found, that is, in the file for mark number 33602, and especially in the resolution number 94, known to the complainant since he brought an amparo suit against it in this same Court, registered under number 2048-50; then there is no failure to apply articles 229, 230 and 232 of the Law on Industrial Property, nor any violation of article 14 of the Constitu-

tion by failure to carry out the essential procedural formalities. The injured third party, in the allegations presented at this hearing, in analyzing the allegation of violation offers the following arguments, which he believes valid and sufficient to refute those contained in this opinion: ". . . Article 232 of the Law on Industrial Property establishes that when the Secretariat of Economy considers it appropriate to make ex oficio any declaration of nullity of a mark, it shall communicate this fact to the party presumed to be affected, that is to say, the owner, in the manner provided for, briefly indicating the reasons and legal bases of the action that is intended, in order that he may have the opportunity to weigh the considerations and present evidence that he believes relevant, within the obligatory period indicated for this purpose. In spite of what the complainant states, the Secretariat of the Economy, on issuing the resolution complained of, complied with and fully carried out the requirements of said provision of law. In effect, the complainant recognizes, in the second clause of the preamble to his petition that the responsible authority sent him Notice number 25194 of Nov. 22, 1950, in which: a).—The Secretariat indicated its intention of initiating ex oficio the nullity of the mark 33602 "Bulova" (Paragraph First of the Title cited); b).—The owner of said mark was notified of this in the manner provided for by article 230 of the Law on Industrial Property, i.e., the Notice was sent to the domicile indicated in the file and a period (of 30 days) was fixed in which said owner of the mark could present in writing his relevant objections and observations; c).—Said Notice briefly stated the reasons and legal bases for the action of declaration of nullity. The legal basis is expressly stated in the second paragraph of the Notice of Nov. 22, 1950, where it is stated that "it is considered proper to initiate this proceeding, based on the last part of Section V of Article 200 of the Law of Industrial Property, by virtue of which it is believed that the applicant for the mark in question recognized this name and knew that

it was used in the Republic prior to the application for registration." —So far as concerns the reasons on which the Secretariat based its action, these also are expressly stated in the third paragraph of the same Notice: "Therefore, in conformity with the considerations set forth in the administrative declaration number 94, denying the illegal use of the "Bulova" mark number 33602, and of which you have been notified by Notice 24844 of the 16th of the current month, the evidence presented in that controversy shows that the mark was already known in the Mexican Republic prior to the year 1933, in which the registration in question was applied for." The considerations set forth in the cited administrative declaration number 94, are clearly and expressly stated on pages 18, 19, 20, 28, 29, 30, 31 and 32 of said resolution, which the complainant knew about in every detail, since he brought his *amparo* suit against said resolution in this same Court, said suit being filed under number 2048-50, the petition for which was presented on Dec. 5, 1950. Therefore, the considerations on which the resolution complained of in this suit was based were well known to the complainant. d).—As regards the opportunity provided for in article 232 for the owner of the mark to weigh the considerations and present evidence he considers relevant, the same Notice 25194 which has just been discussed constitutes the best proof that this last requisite of law was satisfied. It is clearly stated in the fourth paragraph of the document under reference that: "In this respect and in accordance with article 232 of the Law on Industrial Property, you are granted a period that will terminate on Dec. 22nd next, in order that you may have the opportunity to weigh the considerations that you consider relevant and to present evidence in your favor, with the understanding that on the expiration of the period, the question will be decided, on the basis of the matters presented in the case and on the provisions of law and administrative regulations in effect." —Furthermore, not only does proof exist that the responsible authority com-

plied with the requirements of article 232 of the Law governing the matter regarding the opportunity that must be afforded to the owner of a mark to formulate his defense, but also there is further proof complementing this which has the same force and which in the same manner undoubtedly establishes the fact that he was given opportunity for defense. This proof consists of the writing under date of Dec. 21, 1950, that is, on the eve of the day ending the period given to the owner of the mark to prepare his defense, in which writing the present complainant presented the defenses he considered relevant, alleging that there had been no bad faith in the registration of mark 33602. The considerations set forth must logically and legally lead to the following conclusions: FIRST.—The guarantee of a hearing provided in article 14 of the Constitution was duly satisfied when, in the first place, the Secretariat of Economy gave the complainant a period of 30 days in which to weigh the considerations and evidence that might be favorable to him, and in the second place, the complainant himself within the period indicated formulated his opposition to the declaration of nullity of his mark. —Second.—The administrative proceeding of nullity of the mark 33602, was carried out in accordance with the four principles established in paragraphs a), b), c), and d), *supra*, provided for in article 232 of the Law, which is exactly applicable to this case, and also all the procedural formalities required by the Law on Industrial Property in said provision were complied with, in relation to articles 230 and 233 of the same Law. As far as concerns the provisions of articles 229 and 230, already referred to, these establish various requirements that are not applicable to the instant case, since they refer to a different type of controversy, such as one initiated by a petition of a party, said requirements being: a).—A writing in duplicate, accompanied by the relevant documents; b).—The total sum of study and examination fees. It is obvious that there is reason why these requirements be satisfied by the Secretariat, since

the latter is not going to pay such fees, and the relevant documents may be found in the files themselves, and the petition is the notice in which the initiation of the proceeding is made known. For the remainder, neither in the case of a controversy begun by petition of a party, nor in that initiated ex oficio, is it required that the defendant be presented with copies of the documents, since these are on file in the Secretariat of Economy, and the defendant has the duty of acquainting himself with them, applying, either himself or through his representative, to the Secretariat for this purpose. (article 230).—The applicable requirements, that is, the notification of the petition, sent to the domicile of the defendant, and the period provided for the latter to reply, (article 230) were complied with by the Secretariat of Economy, as has been shown above. It is pertinent to transcribe the relevant part of the report, because the arguments presented there are correct: "... In the first allegation of violation infractions of article 229 and 230 of the Law on Industrial Property are adduced, which according to the complainant must be applied in relation to article 232 of the same Law. Such an argument is not exact, because article 229 as well as article 230 refer to a case in which the administrative declaration of nullity is requested by the interested party and these provisions provide a different procedure from that which, according to article 232, must be followed when the Secretariat itself acts ex oficio; in the latter case, some of the declarations contained in article 229 must be made, a procedure which is reduced to notifying the party presumed to be affected, ex oficio, of the reasons and legal bases for the action which is intended and to give to said affected party the considerations and evidence believed relevant. [Sic] This being so, if the Secretariat must declare ex oficio the nullity of a mark, it cannot be expected that the Secretariat itself will pay the study and examination fees that are paid to interested third parties; nor is there need for it to send in duplicate the written document in which it states the

reasons for the declaration of nullity, because this is only necessary when the action is initiated by a third party in order that the Secretariat may hold the original of the petition and send the copy to the party affected, but when it is the Secretariat itself that is initiating the action, there is no reason for drawing up the Notice containing such statements in duplicate, since a copy of the original sent to the affected party remains in the file. All the foregoing makes it perfectly plain that the mandate contained in article 232, in accordance with which the reasons for action are made known to the affected party "in the manner provided for" does not mean and cannot mean that the Notice must be in duplicate, nor that it must be accompanied by documents and evidence supporting the action, since these last, in a case where the Secretariat acts ex oficio to declare the nullity, would have to be removed from the files themselves in order to be sent to the affected party; whereas, when the action is initiated by a private party, it is perfectly obvious that the latter must exhibit the documents upon which he bases his suit, since these must be entered in the administrative file of the Secretariat, in order that the defendant may acquaint himself with them, as article 230, just cited, requires. Therefore, the "manner provided for" can only mean that having reference to the Notice containing the reasons for the declaration of nullity, as is obvious from the text of article 232; because if that article had intended to refer to the manner provided for in articles 229 and 230, it would have said so.—But even with the widest interpretation article 229 does not require that the affected party be sent the documents on which the plaintiff founds his action of nullity, since the requirement that such documents accompany a petition is only for the purpose of getting such documents on file, and in order that the affected party may acquaint himself with them; but this may be done by the affected party himself when the nullification action is initiated ex officio by the Secretariat, so that no injury will inure to the complainant, who has

not otherwise shown that he was denied access to the file, as he says, for the purpose of informing himself about the evidence on which the Secretariat based its action to declare the nullity of the complainant's mark. Therefore, the first allegation of violation is unfounded."

B).—It is alleged in this first allegation of violation, that the guarantee of a hearing was not duly satisfied, which is not true, since article 14 of the Constitution, which provides for said guarantee, was complied with by the responsible authority. In effect, the guarantee of a hearing is composed, according to the terms of article 14 of the Constitution, of four specific guarantees, necessarily concurrent, which are: suit brought prior to the deprivation of rights; said suit must be brought in courts previously established; said suit must be carried out in accordance with the essential procedural formalities governed by laws already in existence; and the circumstance giving rise to the suit must likewise be judged by laws already in existence at the time it came about. Of these four guarantees, the first two are not mentioned in the allegation of violation that we are examining, and it is evident that these guarantees were not violated, since suit was brought before courts already established. The complainant refers to the third of the guarantees, that is, that guarantee requiring compliance with essential procedural formalities. In order to know whether said violation exists we must study what is meant by essential procedural formalities. In any proceeding, which provides a mode of action prior to the acts of deprivation, there must be observed or complied with the essential procedural formalities, the reason for which lies in the very nature of all proceedings in which a jurisdictional function operates, that is, in which it is sought to resolve a legal dispute, whether this arises from the exercise of the respective defense by the party presumed to be affected, or whether the case is one in which no opposition is formulated (suits and proceedings in default); with the understanding that said func-

tion is necessarily carried out when it concerns an act of deprivation. The decision of a juridical dispute imposes the inescapable necessity of understanding the dispute and in order that the deciding organ (the court previously established) have real and true understanding of the dispute, the parties must state their intentions. Thus, the authority that will control said dispute, that is to say, that will decide it, must have the ineluctable obligation, inherent in every jurisdictional function, of granting an opportunity for defense in order that the person who would otherwise be the victim of an act of deprivation may present his opposition to said act. All procedure, whatever the adjective that may be attached to it, civil, criminal or administrative, according to the matters it governs, has this principal function of notifying the party affected of the demands made by a private party or by the authorities, as the case may be, which may lead to deprivation of his rights. Furthermore, since every jurisdictional resolution must state the right in a legal dispute, basing itself on truth or reality, it not being sufficient that the controversy be merely joined (litigated in the judicial sense), through the formulation of the opposition of the party presumed to be affected, it is necessary that the latter be granted a second opportunity, as the procedure unfolds, that is, the opportunity to prove the facts on which he bases his opposition (opportunity to present evidence). In conclusion, since on informing the complainant of the initiation of the proceeding, the responsible authority stated the place where the evidence may be found and set a period within which reply must be made to the petition, that is, Notice 25194, by means of which notice was given of the initiation of the proceeding, and the complainant was given the opportunity to bring forward his own evidence, the requirements of the guarantee of a hearing were satisfied, since the complainant was given the two opportunities for defense and presentation of evidence; there being therefore no violation of article 14 of the Con-

stitution, as a consequence, the allegation of violation under discussion is unfounded and the protection sought cannot be granted. Finally, the controlling portion of the resolution complained of should be transcribed here, because in this resolution the Secretariat of Economy resolves the problem contained in this complaint: ". . . Upon the matter in particular, this Secretariat is of the opinion that there is no provision in the Law on Industrial Property which requires that the notice to which article 232 refers must contain all the formalities of a petition of a judicial character. On the contrary, said article 232, in relation to article 230, specifically sets forth the requirements which must be characteristically in the notice, in order for such to have effect. The rules of this particular procedure, like those governing the procedure for issuing all administrative declarations having reference to industrial property, are very simple. If the matter is concerned with a petition for a declaration of nullity initiated by means of a petition of a private party, upon the presentation of the respective petition (article 229), following notification of the petition to the owner of the mark which is to be nullified (article 230), and when reply has been made to such notification, at the end of the period in which objections may be formulated, study must then be made of the matter for the purpose of issuing the administrative resolution called for. (art. 233.) If the matter is concerned, as in the instant case (art. 232) with the nullity of a mark when the Secretariat believes it proper to declare such nullity, ex officio, it is sufficient that the party presumed to be affected be notified that the proceeding is to be initiated to declare such a nullity, indicating to him briefly the reasons and legal bases for the action which is intended, in order that the owner of the mark may have the opportunity to weigh the considerations and present evidence that he believes relevant, within the obligatory period indicated for such purpose. As is readily seen, the proceeding for the declaration of nullity of a mark in-

cludes only the petition, the notice, the reply and the study, when the proceedings are initiated as the result of a petition by a private party. When as in the instant case it is the Secretariat which is proceeding ex officio to formulate the declaration of nullity, the proceeding is even further simplified, since the petition is omitted, and the proceeding is initiated by the notice, continues with the reply and concludes with the study and decision of the matter. This procedure for the issuance of administrative declarations in matters concerned with industrial property, and more directly, with the intention to declare nullity ex officio with respect to a mark, this is fully in accord with constitutional provisions which require that the interested parties must be heard and that they may freely exercise their rights, giving them opportunities within the rules established by law to present every sort of evidence in support of their statements, in order that study of the disputed rights may lead to a well reasoned and sound decision. Now then, as has been pointed out above, article 232 of Title VI, "Procedure for Issuing Administrative Declarations", requires the following with regard to the ex officio declaration of nullity of a mark: When the Secretariat of Economy considers it proper, ex officio, to make any declaration included within the present Title, this fact shall be made known to the party presumed to be affected, in the manner provided for, indicating to him briefly the reasons and legal basis for the intended action, in order that he may have an opportunity to weigh the considerations and present the evidence that he may believe relevant, within the obligatory period indicated for the purpose." As may well be seen, the requirements of the Law are set forth which must be fulfilled by the notice that the Secretariat is obliged to give to the owner of the mark *sub judice*. Now, as concerns the owner of the mark to be nullified, the latter must comply with the provisions of the final part of the article cited as well as with the final part of article 230, in accordance with which a period is set in

accordance with the nature of the subject matter and with the distance to the town in which the owner of the mark lives, in order that he himself or his duly accredited representative may become acquainted with the evidence on which the nullity of the registration is based and within which period he will have to present in writing the objections or observations which he considers relevant. From the analysis of the legal provisions invoked it may be deduced that as far as the affected party is concerned the administrative procedure requires none of the requirements set forth by Mr. Sidney Steele in his written document of Dec. 13, 1950, which he refers to as "procedural outline for the whole petition." And if, as is shown by the text of the Notice of Nov. 22, 1950, in said document the reasons and legal principles which serve as a basis for this Secretariat in initiating the procedure of nullity are clearly and expressly indicated, and if, further, in the same document the owner of the mark is granted a period of thirty days in which he may weigh considerations and present evidence in his favor, within the period set, it must be concluded that this executive agency has completely satisfied the requirements which the law and preceding cases have established. Consequently, there is no legal basis for the petition made by Mr. Steele in the writing referred to, and what he asks for cannot be granted, that is, that the Secretariat give him notice of a petition with all the solemn formalities and ritual provided for by laws other than those on administrative matters, and it must be considered that such conduct is merely a subterfuge on the part of the interested party." All the arguments cited above lead to the conclusion that the complainant is not right in his allegation of a violation, because he does not justify the existence of the violations of the guarantees he alleges. (Third).—On formulating the second allegation of violation, the party bringing this *amparo* suit states the following: ". . . Second.—Furthermore, the Secretariat, in issuing its resolution on the nullity of the regis-

tration of mark number 33602 has done so in manifest violation of the provisions of article 202 of the Law on Industrial Property, which requires that in cases covered by the two preceding articles, the use of the marks shall be proved before the Secretariat of National Economy, within the period established for that purpose and which shall be not less than thirty days, by the rules of evidence permitted by the civil law, in accordance with which the value of the evidence will be determined. In effect, it is sufficient to read subparagraph B) of the Fifth Whereas Clause of the Resolution complained of, to understand that the responsible authority excused itself from complying with the provision referred to, on the ground that there is no reason for submitting the proceeding to nullify mark 33602 to the rules established by the Federal Code for Civil Procedure; in administrative matters, is not indispensable, nor is it necessary to carry out a suit with all the solemn formalities of judicial procedure, so long as the essential spirit of article 14 of the Constitution is complied with, that is, the opportunity is given to the interested parties to acquaint themselves wtih the reason for the proceeding and they are given the opportunity to make allegations and present evidence. The argument of the Secretariat to this effect is erroneous, because it lacks legal basis and as a matter of fact violates the Law on Industrial Property itself, which in article 202 requires that evidence presented regarding the use of marks must be subject to the rules of evidence in the civil law, which likewise means that the same law must govern in weighing the value of such evidence. In the instant case it is clear that said article should have been observed in regard to the provisions of the Federal Code of Civil Procedure governing matters of evidence, since that statute is applicable in regard to federal legislation such as that governing industrial property. Furthermore, the applicability of article 202 of the Law of Industrial Property cannot be denied, with regard to nullity of the "Bulova" mark, which is owned by my prin-

cipal, since that provision has mandatory effect in dealing with the provisions of the last part of Section V of article 200 of the same law, in accordance with article 202 cited, and because furthermore the second of the articles mentioned in that paragraph is the only one that goes to the substance, as may be seen from the text of the notice of initiation of the proceeding to declare nullity upon which the General Administrative Office for Industrial Property bases its action, as the bureau of the Secretariat of Economy charged with initiating proceedings to declare the nullity of marks registered in bad faith in the Registry of Marks. Consequently, when the Secretariat failed to respect the legal provision which requires that the evidence of the bad faith attributed to the applicant seeking to register the mark "Bulova" be such evidence as the civil law will admit, and that the value of such evidence be weighed by such law, the Secretariat violated the Federal Code of Civil Procedure, which in this matter is supplementary to the Law of Industrial Property; for article 198 of the Code provides that evidence presented in violation of the provisions contained in the articles making up title 4 of the Code itself, will have no legal weight whatever. Now then, the evidence used by the responsible authority on which to base its declaration of nullity of the mark owned by my principal and which was not within his knowledge for the purpose of the proceeding for nullity of his mark, were received and given weight in violation of the various provisions of the Code of Procedure invoked; they are described in detail below. In effect the total evidence on which the declaration of nullity rests consists of a certified and legalized copy of the record issued by the United States District Court for the Western District of Texas, San Antonio Division, referring to some, but not all, the questions which had been put to Mr. Sidney Steele with regard to a suit brought against him without success by the Bulova Watch Company, Inc., of New York, this being evidence which contained only a part of the proceed-

ings and only that part which would prejudice my principal, who was not given the chance of adding to it evidence of his own replies, since the responsible authority did not grant his request for an extension of the period for presentation of evidence, which was necessary in order to obtain the documents from abroad and have them duly legalized and translated. As such evidence is offered by the responsible authority in the controversy, which said authority has initiated, it is necessary to apply by analogy the provisions of article 134 of the Code of Procedure which have been invoked, in accordance with which my principal should have been granted the right to add documents he considered proper from related suit; this not having been permitted, it is unquestionable that the Secretariat violated said article and that said evidence fails of any legal value, in accordance with the provisions of article 198 of the statute cited. Other evidence used by the Secretariat to show bad faith on the part of the registrant of the mark belonging to my principal consists of two documents relating to printed or photostatic copies of contracts, which are said to have been executed by the "Bulova Watch Company, Inc.," with "The Biow Company", for advertising for the "Bulova" mark, over the radio broadcasting station XEQ of Ciudad Juarez; furthermore, the originals of these documents were not presented, they were drawn up in the English language and they were not accompanied by translations, thereby infringing the provisions of articles 136, 132 of the Code of Civil Procedure, since as it has already been said, these were mere copies of contracts said to have been executed, and besides this, opportunity was not given to see translations of said documents, for the purpose of scrutinizing such translations for corrections. The Secretariat says also that the bad faith in obtaining the national registration of the mark is shown in "the declarations of several jewelers in Mexico, produced for the purpose of showing that the "Bulova" mark was already known in the country prior

to the year 1933, when registration of mark 33602 was obtained, declarations which are in no way referred to in the resolution complained of, and which in any case are mere statements by third persons not parties to the suit, and it is not known who were the declarants, since their names are not given. Now, it is certain that the declarations of such witnesses and the reception of the evidence should have been made subject to the provisions of articles 167, 173, 175, 176, 177, 182, which does not appear to have been done; and therefore there has been no disclosure of evidence by witnesses during the proceeding carried out ex oficio by the responsible authority, in order to declare the nullity of mark 33602. As a consequence, since these requirements were not applied, the provisions of article 202 of the Law of Industrial Property were violated, and the resolution complained of is therefore in violation of article 16 of the Constitution, since there is no legal basis for the issuance of that document, since in the proceeding leading up to such issuance the essential procedural formalities were not complied with, in accordance with the laws previously enacted, so that as a result article 14 of the Constitution is likewise violated. Furthermore, if reference is made to declarations made by various jewel merchants before various notaries in the Capital and in the States, such evidence suffers from legal vice as regards its presentation, for even if the documents in which such declarations were made are unquestionable public documents, since they contain the statements of third persons sworn to in the presence of an official clothed with the public confidence, still this does not prove the truth of such declarations of such persons, as required by article 202 of the Federal Code of Civil Procedure. Therefore if the Secretariat has taken such evidence into account in express violation of the cited legal provision, as a consequence my principal has been injured through the infringment of the provisions of article 14 of the Constitution, as concerns the exact observance of the law applicable to the case.

And furthermore and as is apparent from the resolution complained of, the Secretariat seeks to support its declaration of nullity by referring to the registrations of the "Bulova" mark in other countries prior to registration in Mexico; a fact that has only been proved in regard to the United States of America, but which has not been proved in regard to other countries, as the responsible authority asserts, because it has not been proved that such registration was prior to that effected in Mexico, with respect to the "Bulova" mark, as likewise with the application made before the same authority for the publication of the commercial name of the Bulova Watch; these facts which together with those previously stated are basic to the proceeding for declaration of nullity initiated ex oficio by the Secretariat, have been discredited as concerns the nullity of the mark. Therefore, the facts referred to in the preceding paragraph being false, it follows that the resolution lacks legal and reasonable basis and therefore violates the guarantee provided for in article 16 of the Constitution, to the injury of my principal's rights . . ." A). In substance the argument contained in the second allegation of violation may be synthesized in the following terms: a).—Violation of article 202 of the Law of Industrial Property because the responsible authority—according to the complainant—did not comply with the rules of the Civil Procedural Law. b).—Violation of article 198 of the Federal Procedural Code, because the responsible authority gave weight to evidence which had not been accepted in accordance with said Code, according to the statements of Sidney Steele in his petition, through his attorney; c).—Violation of articles 198, 136, 132, 176, 173, 175, 176, 177 and 182 of the Federal Code of Civil Procedure, because evidentiary weight was given to the duly certified and legalized copy of depositions issued by the District Court of the United States for the Western District of Texas, San Antonio Division, to documents consisting of copies of contracts executed by the "Bulova Watch Com-

pany, Inc." with the "Biow Company" for advertising the "Bulova" mark over radio broadcasting station XEQ of Ciudad Juarez, and finally, to declarations of various jewelers, without these documents having been proved in accordance with article 202 of the Code of Civil Procedure. d).—Violation of article 202 of the Code of Civil Procedure, because evidentiary weight was given to evidence in contradiction to the provisions of said article. e).—Because, according to the complainant, the registrations of the "Bulova" mark in other countries, with the exception of the United States, were not proven. All these violations carry with them, according to the complainant's statements, the violation of articles 14 and 16 of the Constitution, because the Law applicable to the case was not complied with, nor were the essential procedural formalities complied with; and the resolution therefore lacks legal basis. The question having been stated in the manner required, we shall proceed to analyze the various points enumerated above. Article 202 of the Law of Industrial Property provides as follows: ". . . in the cases outlined in the two preceding articles, the use of marks shall be proved before the Secretariat of National Economy, within the period set for the purpose, which shall not be less than thirty days, in accordance with the rules of evidence admitted by the civil law, also in accordance with which the weight to be given to such evidence shall be judged." Now then, what this provision requires is: a).—Evidence in administrative proceedings is the same as that accepted by the Civil Law, and b).—this evidence must be qualified in accordance with said Civil Law. But this provision does not require that all and every one of the formalities of a civil proceeding be complied with, since on the one hand this would be impossible, given the very nature of the administative proceeding, and on the other, the authority which applies the Law of Industrial Property. [*sic*] The Secretariat of National Economy does not have within its power the same means as the judicial authority, to require

the execution of its decisions, for the very reason that has already been indicated, that is, because it is an administrative authority. Therefore, this provision must be interpreted in such a manner that the suitable rules will be applied in each case in accordance with the special nature of the proceeding as indicated by the Law of Industrial Property. In regard to the instant case the complainant says that the responsible authority did not comply with article 202 of the Law cited, that is to say, in subparagraph b) of the Fifth Whereas Clause of the resolution complained of, as follows: b).—As regards the considerations set forth in the second paragraph of the above-mentioned documents relative to the intention of the interested party to require the submission of this proceeding for declaration of nullity of mark 33602 to the rules established in the Federal Code of Civil Procedure, it is appropriate to reproduce here a portion of the Fourth Whereas Clause of said resolution: that in administrative matters it is not indispensable nor even necessary to carry out a suit with all the solemn formalities of civil judicial procedure, so long as the essential spirit of article 14 of the Constitution is complied with, that is, that opportunity is given to the interested parties to acquaint themselves with the reasons for the proceeding and opportunity is given to present allegations and evidence, and all this has been duly observed in the present proceeding. Also, as a consequence, Mr. Sidney Steele's statements lack foundation, when he says that it is impossible for him to attack the evidence of bad faith in the registration of the mark now sought to be nullified; because the proceeding carried out by this Secretariat has been carried out absolutely in conformity with the requirements of the procedure indicated by the administrative law, and these requirements, in their turn, are related to the principles and rules upheld not only in cases decided by the Supreme Court but also by the learned authority mentioned above, as pertinent to the particular case . . . This argument of the Secretariat

of Economy is correct, because it is evident that in proceedings before it not all the formalities of the civil law are necessary but only those requiring that evidence must be admitted and weighed in accordance with the civil law rules on evidence; for, this is not a civil suit brought before the Secretariat of Economy, but a special proceeding which is less formal and more simplified. For all the reasons above given, it follows that article 198 of the Federal Code of Civil Procedure is not applicable, and that therefore it is not necessary in an administrative proceeding to comply with all the formalities of civil procedure. Beyond the reasons given above there is the further consideration that every system of evidence consists of the following distinctly separate steps: a).—The presentation of the evidence; b).—The admission of the evidence; c).—The disclosure of the evidence; e).—The weighing of the evidence. Now then, article 202 of the Law of Industrial Property refers to the Federal Code of Civil Procedure regarding evidentiary matters only so far as concerns the admission and weighing of evidence, i.e., it declares that in order to prove the use of marks before the Secretariat of Economy, or as the case may be, to prove the facts on which nullification of the mark is to be based, evidence admissible in accordance with the requirements of the Procedural Code shall be admissible, and the weight to be given such evidence shall be judged by the rules of said Code, and all evidence admissible according to the Code is admissible in administrative proceedings and shall have the same weight as it would have in civil matters; but article 202 of the Law of Industrial Property is in no way related to the provisions of the Federal Code of Civil Procedure with respect to the disclosure or presentation of evidence, since no express reference is made to said Code in this regard, and therefore article 198 of the Procedural Code does not apply; since said article deals with questions of presentation and disclosure of evidence, to which no reference is made [in the Law on Industrial Property].

B.—As regards the evidence itself, the resolution complained of states that with respect to the documents containing the record of the suit brought in the District Court of the United States for the Western District of Texas, San Antonio Division, that this is a public document, since it emanates from public officials and is duly legalized by the Mexican consular authorities, by reason of which it constitutes full proof (articles 129, 131, and 202, second paragraph of the Federal Code of Civil Procedure), as follows: "The evidence contained in pages 601 *et seq.* of the file for mark 33602 consist of a certified and legalized copy of the record in the District Court of the United States for the Western District of Texas, San Antonio Division, which has been duly certified and legalized, leads to the conviction that when Mr. Sidney Steele, as manager and almost the only owner of the Sidney Steele Company, Inc., presented himself to register mark 33602, he already was aware of the existence of the "Bulova" mark. In effect, Mr. Steele expressly stated before said court that the mark in question was "open" in Mexico, meaning by "open" that it had not been registered in Mexico at the time when he came forward to apply for the protection given it by registration. This express declaration of Mr. Steele shows that he only intended to register the "Bulova" mark in order to take advantage of the reputation the mark had, abroad as well as in Mexico. From this same evidence it appears that Mr. Steele was well established in Mexico from 1925 to 1926, and from the rest of his express statement it must be presumed that he knew of the prestige enjoyed by the "Bulova" mark and that he intended to take advantage of such prestige, engaging in unfair competition by registering another's mark, causing injury to the legitimate owner of the mark, that is, the "Bulova Watch Company, Inc." of New York since the year 1924." Now then, the reasoning of the responsible authority is correct and this evidence must be taken into account as fundamental and essential, a fact that is recognized by the

complainant in the clause just analyzed. So far as concerns the objections raised to said evidence, these have already been studied by the responsible authority in the resolution complained of, in the statements made in the Third Whereas Clause, as follows: ". . . III. The considerations set forth in the administrative declaration number 24-950 are in the following tenor: "14th Antecedent: "By a writing dated Oct. 19 of the current year, Mr. Jorge Kessel Jasven came forward, presenting evidence to convince this Secretariat regarding the bad faith of Mr. Steele. Said evidence consists of a certified copy of judicial proceedings before the District Court of the United States for the Western District of Texas, San Antonio Division, referring to a suit brought by the Bulova Watch Inc., against Sidney Steele, Sofia Steele and S. Steele & Co., Inc., civil action number 1270, duly legalized and translated and the translation certified by the Secretary of Foreign Affairs. This was done with the knowledge of the plaintiff through notice 22702 of Oct. 25, granting a period to terminate on Nov. 10, of the present year, in order that he might present the allegations which appear appropriate to him, in connection with the evidence referred to, for which purpose a simple true copy of the same documnt was given to him." "From that document it appears that Mr. Sidney Steele, in 1925 or 1926 already knew about the "Bulova" watch and in 1933 registered that name, because, according to his own affirmation said mark was open and he applied for its registration, by "open" meaning that the mark was not registered and subsequently, Sidney Steele himself declares, he received watches with the name "Sidney" and placed the mark "Bulova" on them, whenever it suited his own interests and likewise removed the marks "Invicta" and "Seeland" from watches of Swiss origin and placed the name "Sidney" on the case whenever this was convenient, removed the marks above mentioned and replaced them with "Bulova", and to make the idea clearer still, indicated that "Sidney" watches and "Buloya" watches

were exactly the same, more or less.". "This evidence being made known to the plaintiff, he replied within the period granted to him for the purpose, which facts shall be duly noted in the margin of the pertinent portion of this resolution" . . . "As has already been stated in the last of the antecedents of this resolution, Mr. Kessel Jasven came forward to present documentary proof for the benefit of this Secretariat, which proof was accepted in accordance with the provisions of article 80 of the Federal Code of Civil Procedure; with respect to this evidence Mr. Sidney Steele declared: that the evidence had no relation to the suit and that it was therefore irrelevant; that the registration of his mark was at all times in accordance with the requirements of the Law of Industrial Property; that this evidence had been mutilated; that he had not been permitted to see the writing presented by the opposing party, in order to see in what manner and for what purpose the evidence was presented; that since this concerned evidence in the form of an admission, it must be completely rejected; that he had been deprived of the right of making additions to this evidence (but without indicating what such additions would have been) and that he had had no opportunity to make a comparison; and that, lastly, this was outside the cause at hand." "It is sufficient to say that the plaintiff's arguments are irrelevant for the following reasons: the evidence is not irrelevant as being outside the cause at hand, because one of the questions discussed was the defendants' application to have the nullity of the registration of Mr. Steele's mark administratively declared on the ground of bad faith in its obtaining; and in the second place, such evidence was not given inopportunely, since, as has been said, it was accepted as evidence and the plaintiff was given notice of it within a reasonable period, as appears from his own statement; the argument that the suit in which the abovementioned evidence belonged was rejected by the respective court does not invalidate the evidence, which includes matters that are very

useful in reaching a conclusion regarding Mr. Steele's bad faith; the allegation that such evidence has been mutilated has no legal basis, because such mutilation was not proven; it is not true that he was not permitted to see the opposing party's document, since in the first place Mr. Steele did not request to see it, but merely his representative did so, and in the second place, said representative had the file in his hands and said file was open and at the disposition of any person, as required by the Law of Industrial Property, and he was promptly given a simple copy of any document he requested, as I have said, which would be useful to his defense; as regards the affirmation that this concerns evidence that is in the nature of an admission, it must be made clear that in accordance with the most elementary principles, this refers to a public document, that is, to documents in a file, while an admission consists of an interrogation in which some one admits something to his detriment; and if in fact, as the plaintiff affirms, this evidence has reference to a separate suit, he himself has just confirmed the fact that in the instant case we are concerned with documentary evidence and not admissive evidence; as regards the question that he was deprived of the right of adding something, we shall proceed to indicate that this is not true, because he was given timely notice of the evidence and a period in which to make such additions as he considered relevant, but the fact that he made no additions leads to the presumption that such additions would not have been favorable to him; as concerns the question of comparing the document, if he considered this to be important, he could have requested it within the period granted for the purpose; and to say that the lacks value because he did not see it for the purpose of indicating additions is equally without legal basis, since it is obvious from the file that he knew of the evidence in good time and that he was given a period in which to make known other evidence, which he failed to do; and lastly, the final argument, which holds that this evidence is foreign to the

cause at hand, is neither valid nor logical, since as has been abundantly shown, from such evidence one must draw conclusions that have an immediate relation to the questions under consideration in the present controversy. Furthermore, such evidence must be considered by whosoever has the duty of resolving this controversy, in accordance with the provisions of article 80 of the Federal Code of Civil Procedure, supplementarily applicable by virtue of the general principles of the law governing marks, in order that he may arrive at a better understanding of the truth. In the light of all these considerations, the evidence must be accepted as worthy of consideration." This quotation shows that the complainant had the opportunity to object to the documentary evidence that we have just examined, and that he did not do so, to his injury. Another circumstance must be taken into account, as follows: all the evidence that the responsible authority had under examination and upon which it based the resolution attacked in this *amparo* suit, is to be found in the file of mark number 33602, belonging to the "Bulova" mark, it being well known to the complainant, among other matters, since he was party to the proceeding that culminated in the abovementioned resolution number 94, in which the declaration of the nullity of the cited mark was left pending, to be carried out in a separate proceeding, the resolution of which is here attacked. It must therefore be concluded that the violation alleged in regard to such documentary evidence does not exist, since the essential procedural formalities were complied with, that is, the opportunity was provided for the presentation of allegations, and evidence for their refutation. As concerns the other evidence that the Secretariat took into account in issuing the resolution complained of, the following statement appears therein: . . . "The other evidence related to this controversy is that showing the registration of the "Bulova" mark in the United States, as far back as the year 1924. This evidence, which also appears in the file of the mark under litigation, permits

the conclusion that, together with the evidence that has been examined in the preceding paragraphs, Mr. Sidney Steele, in acting in the name of the Sidney Steele & Company, Inc., did so with the deliberate intention of illegally appropriating a known mark, causing injury to the third party who is the owner of the mark, by taking his customers away from him . . . " This reasoning on the part of the authority is correct, without possible argument to the contrary, since furthermore the complainant offered no reasoning at all in contradiction of such evidence, but in fact admitted in his petition, in his very allegation of violation, that the registration of the mark in the United States could be proved. As regards the contracts executed by the Bulova Watch Company, Inc., with "The Biow Company", for advertising the "Bulova" mark, as is stated in the resolution complained of: " . . . The other evidence presented to the injury of the registrant of the mark number 33602 are the contracts executed by the "Bulova Watch Company Inc." with "The Biow Company" for advertising the "Bulova" mark on radio broadcasting station XEQ in Ciudad Juarez, Mexico, which appears from pages 256 of the file in the present cause. Said document shows that since the year 1931 the "Bulova" mark has been advertised in the Mexican Republic, and logically it may be concluded that Mr. Sidney Steele already knew the mark in 1933, two years later, and could not have proceeded except in bad faith, to declare himself the rightful owner of the mark . . . " Now then, said evidence does not appear in this record, and therefore cannot be analyzed, and furthermore the complainant has not proved his affirmations, i.e., that the originals were not exhibited nor translated. The third party injured presented one of these contracts or documents, which cannot be taken into consideration, since it is a photostatic copy, without authentication. Therefore, the affirmations and arguments of the responsible authority remain intact and the arguments of the complainant cannot be taken into ac-

count, since he has not proven the facts on which he bases himself, as I have already said. The remaining evidence, in the resolution may be analyzed in the following manner: " . . . On the other hand, there is other evidence in the file which, added to that already mentioned, tends to confirm the fact that the registration of mark 33602, in Mexico, was obtained in bad faith. The existence of the "Bulova Watch Company, Inc.", since the year 1911; the declarations of various jewellers long established in Mexico, offered for the purpose of showing that the "Bulova" mark was already known in the country prior to the year 1933, when the registration of mark 33602 was obtained; the certifications issued by the Secretariat of Industrial Property of the Swiss Confederation; the professional activity of Sidney Steele, as watchmaker, which legally and logically leads to the presumption that he knew, at the time he was applying for the registration in the name of the company that he represented, that he was taking undue advantage of the world prestige of said mark; all this evidence together with the circumstance that Steele neither offered not presented evidence to contradict the evidence that was admitted and considered, leads us to affirm conclusively that there was bad faith in obtaining the registration of mark 33602 . . . "; taken altogether as a group of presumptions, and given the weight indicated in article 218 of the Federal Code of Civil Procedure, and with the support of the remaining evidence, this evidence shows and proves the facts that the Secretariat of Economy had taken as proved and demonstrated, so that the complainant's arguments can not be valid; for it is not the Secretariat of Economy that gives full weight to this conjunction of evidence, but the evidence itself, because in bringing together the remaining evidence presented the facts alleged are confirmed, especially since the complainant has brought forward nothing to contradict such evidence. In conclusion this allegation of violation can not be declared to have foundation, since the violations alleged by the complainant

do not exist, and neither do those having reference to articles 14 and 16 of the Constitution. Beyond these considerations already stated, there must be taken into account the fact that the complainant, throughout this allegation of violation, just studied, confused the judicial procedure followed in the Federal Courts, with all the formalities that the Procedural Code requires, and the administrative procedure, with a specialized purpose (article 195 of the Law of Industrial Property) and a less formal procedure, arising from its special nature, in keeping with the nature of the agency that applies the law. Therefore, said confusion leads him to argue thus, in discussing the application of rules that are exclusively for judicial procedure, without considering the fact that the Secretariat of Economy complied with the essential principles of all procedure, that is, gave the defendant the opportunities that he should have to be heard in his own defense and to present the evidence that he considers relevant. As far as concerns the formalities that must surround the evidence on its admission, it is sufficient to say that there is no express reference in the Law on Industrial Property to the Federal Code of Civil Procedure; it would be impossible for the Secretariat of Economy to fulfill such formalities or to require the parties to fulfill them, among other things, because it does not have in its power the means of compelling obedience, nor is it organized like a court. In the widest possible understanding, the complainant presented no evidence at all that supported his affirmations, while the responsible authority and the third party injured presented evidence in this suit that showed that the Secretariat of Economy acted correctly in this proceeding. Finally, as concerns the matter referred to in the complainant's statement to the effect that he was not acquainted with the evidence, said statement is not correct, because all the evidence may be found in the file of mark number 33602 and he had been notified of it in the proceeding that culminated in the resolution complained of, as likewise in that which culminated in the

responsible authority's administrative declaration that the use of the mark "Bulova" was legal. The responsible authority says in its justified report: ". . . In the second allegation of violation it is alleged that there is a violation of article 202 of the Law of Industrial Property, which provides that, in cases referred to in articles 200 and 201, the use of marks shall be proved within the period set for that purpose, which shall not be less than thirty days, by the rules of evidence admitted by the Civil Law and in accordance with the weight given to such evidence by said law. The allegation is that said article is violated because, in accordance with the complainant's allegation, the Secretariat, in the resolution complained of, maintains that, in accordance with article 232 of the law itself, it is not necessary that all the formalities required by the Civil Procedural Law be complied with, it being sufficient to comply only with the provisions of article 232 itself. This allegation of violation is absolutely indefensible, since it is sufficient to read carefully the text of article 202 to be convinced that the latter in no manner whatever requires the Secretariat of Economy to carry out a suit with all the formalities required by civil procedure, but merely that, as regards the use of marks, all the evidence must be presented that is required by the civil law, in accordance with which such evidence must be weighed and qualified. In this respect it is pertinent to quote from pages 230 of Gabino Fraga's treatise on Administrative Law, where this learned authority says: "The guarantee granted by article 14 of the Constitution, concerning the necessity of prior judicial proceedings before citizens may be deprived of their property and rights, is complied with satisfactorily as regards administrative acts if the authority issuing or executing such acts has adhered strictly to the rules of procedure provided in the law, and has given the interested party a hearing and the opportunity to present evidence . . . ". Now then, the Secretariat adhered strictly to the provisions of article 232 of the Law of Industrial Property, in informing

the party presumed to be affected, (the complainant in this *amparo* suit), by means of a notice, of the reasons and legal bases for the action of nullity which it intended to take against his interests, in order that he would have the opportunity to weigh the considerations and present evidence that he considered relevant, within the period set for that purpose. Furthermore, no provision of the cited law requires the Secretariat, when it must act ex officio to declare the nullity of a mark, to proceed with such declaration in the manner required by the Civil Law for suits at law; besides, it would be impossible to say what would be the nature of the suit thus initiated, whether it would be an ordinary suit or a summary proceeding; which fact convincingly indicates that the Secretariat has no legal duty to proceed with the declaration of nullity of a mark in any manner other than that provided for by article 232 of the Law of Industrial Property. It is a different matter in regard to evidence and the weight to be given to such evidence, in complying with article 202 of the law; such evidence must be admitted and weighed in accordance with the rules provided by the Civil Law, which in no manner means that the rest of the procedure must pursue the formalities required for law suits by the Civil Law . . . "This argument of the responsible party is valid, as is also that presented by the third party in his allegations, which in the pertinent portion states: " . . . B).—The complainant in his petition recognizes that among the evidence which the Secretariat had under examination regarding the bad faith in the registration of mark 33602 there must be taken into account, as having very important and incontrovertible weight, that consisting of a certified and legalized copy of the record issued by the District Court of the United States for the Western District of Texas, San Antonio District, which contains an express confession on the part of Mr. Sidney Steele with respect to the bad faith shown in the registration of mark 33602. The representative of the complainant with incredible audacity falsely states that he

was not given the chance to add to said evidence, because he was not given time to present evidence, which in his opinion constitutes a violation of article 134 of the Federal Code of Civil Procedure. To demonstrate the incorrectness of that accusation, it is sufficient to read Notice number 22702 of Oct. 25, 1950, in which the Director of Industrial Property notified Mr. Sidney Steele of the presentation of the evidence cited (the certified copy of the proceedings in the San Antonio suit) and "hereby give you a period terminating on Nov. 10 next, within which you may make the allegations you consider necessary as regards said evidence, with the understanding that the evidence in question may be examined in the office of the Director during working hours and in the presence of the undersigned." The text of the cited document is evidence that the complainant was given the opportunity to object to said evidence and to add to it in the manner he considered relevant; but this assertion is amply supported by examination of the writing which on Nov. 9, 1950 the complainant himself presented to the Secretariat of Economy, saying in the first paragraph: "that your Notice 22702, addressed to Attorney Vicente MacGregor—as my representative—in which notice is given that Mr. George Kessel Jasven has come to your Office to present documentary evidence for your information is in my hands; said Notice grants me a period terminating on the 10th of the current month of November, in order that I may present matters I deem necessary with regard to said evidence. Having examined the evidence to which I refer, through my attorney, Attorney Carlos del Castillo, in your Office, I make the following statement: . . . " In four more pages the complainant sets forth in this document all the allegations he believed relevant, no mention being made in any part of the above-mentioned written petition of the period granted to him for the purpose of making additions to the evidence he has been allowed to examine. Consequently, the violations which in the complainant's opinion have been committed

in the action complained of, as regards the provisions of the Federal Code of Civil Procedure, because of the supposed impossibility of adding to the evidence in question, are real illusions. C.—With regard to the violations alleged by the complainant as concerns articles 132, 136, 167, 173, 175, 176, 177, and 182 of the Federal Code of Civil Procedure, because of the manner in which the responsible authority qualified the remaining evidence upon which it based the issuance of the resolution of nullity, the complainant holding that it is necessary to submit the administrative proceeding to the rules of the Federal Code of Civil Procedure, when the Law on the subject provides a special, simple, administrative, non-judicial procedure, it is obvious from the considerations already stated in refuting the first allegation of violation that these are likewise unfounded and not in order. Lastly, the complainant's statement to the effect that the facts which the responsible authority considers indicative of bad faith in the registration of mark 33602 are false, can easily be discredited by the District Court through a simple examination of the evidence described in the following paragraph . . . "In conclusion, the protection requested cannot be granted, since it is founded on this allegation of violation and the violations alleged by the complainant have not been shown. (Four).—In the last allegation of violation the complainant says: " . . . Third. The Secretariat upon weighing the evidence mentioned in the resolution, which I repeat was not made known to the owner of the mark during the proceeding nullifying the mark, has given to said evidence an evidentiary value other from that due it, drawing illogical conclusions from it, since in order to determine that there was bad faith in the registration in Mexico of the "Bulova" mark the Secretariat concludes from the fact that Sidney Steele knew of the existence of the mark in the United States of North America, when it was as yet not registered here, that the presumption must be that such registration was obtained for the sole purpose of taking advantage of the

wide recognition of said mark in Mexico and abroad. This is a statement which is unfounded and reckless, especially when the alleged wide recognition of the mark in Mexico had not been proved, nor had such recognition abroad been proved, which in any event would have no legal effect so far as concerns registration in Mexico. But even knowledge of the existence of the mark abroad does not prove that Mr. Steele knew that it was being used in Mexico prior to his registration; besides being absolutely false, such knowledge does not in fact support such a statement. For the rest, the statement made by the responsible authority in its resolution, to the effect that Mr. Sidney Steele sought to benefit illegally on obtaining the registration of the "Bulova" mark, which is said to have been used previously in the Republic, has no foundation at all: first, because in order that this be true it would be necessary first to prove that the registration was made deliberately to cause injury to third persons or with the intention of taking customers away from the owner and prior user of the mark, and second, that there was an intention illegally to appropriate a mark in prior use in the country; in the latter case, in a proceeding to prove the illegal use of the mark, my principal would only need to prove that such use was made for less than the minimum period required by article 99 of the Law of Industrial Property, that is, more than three years before the date of the registration of the mark by a third person. The responsible authority considers that evidence of the registration of the "Bulova" mark in the United States as far back as the year 1924 shows that Mr. Sidney Steele, in applying for registration of the mark in Mexico as representative of Sidney Steele & Company, Inc., did so with the deliberate intention of illegally appropriating a known mark, drawing away customers [from the owner]. No conclusion could be more absurd, for in reaching it, the preceding evidence is related to other evidence, which, as has been seen, is equally out of order so far as concerns the bad faith on the part of the registrant. The fact that the

mark had been registered in any country merely raises the supposition that the owner was only interested in protecting his mark in the domestic market, since rights arising from such registration would only be recognized within the jurisdiction within which they had been granted. Evidence of the preceding is that the registration of the mark in Switzerland was sought a long time afterward, when, it had already been registered by a third party in Mexico. Therefore it is not valid to consider that there was bad faith on the part of the applicant for registration in Mexico, if said mark was not in use in Mexico prior to such application, because even supposing that the statement that it was in prior use in Mexico is correct, this does not prove the use of said mark with reference to watches, that is, the effective commercial use of the mark. The fact remains that no evidence is shown of commercial transactions carried out prior to its registration by Sidney Steele. The Secretariat persists in considering that my principal acted in bad faith on applying for registration of the mark in the name of the company he represented, because he sought to take undue advantage of the world prestige of said mark; this is a statement that rests on no evidence at all, since there is nothing to prove the world prestige attributed to said mark and, on the contrary, the registration of the mark in two foreign countries is shown, and such registration, in one of them, was obtained after the passage of considerable time after the first was applied for. From this then, the responsible authority concludes that the "Bulova" mark has world wide recognition. The responsible authority itself states in its resolution that, as has been proved in the controversy concerning illegal use initiated by Sidney Steele, the "Bulova" mark was used for more than thirty years by the "Bulova Watch Company, Inc." and its representatives in this country, a statement that also is not supported by effective and real evidence; if it is remembered that the mark was registered by the business house referred to in the United States of North

America in the year 1924, then the period of time alluded to by the Secretariat is still incomplete, the Secretariat thus in a surprising manner falsifying the facts. The Secretariat concludes its resolution stating that, since the mark had been extensively used and advertised since then and had circulated in many countries, among which Mexico is evidently included, the "Bulova Watch Company, Inc." had a legitimate interest not only in the United States of America, the place where the mark was first registered, but also in other countries where the mark was known. All the preceding is mere words on the part of the responsible authority, since, as neither the use nor the extensive advertising is proved, the fact that the mark is well-known, so it is said, in many countries, is not proved; nor is indication made regarding which are the countries where the mark is known; because the fact of the registration of said mark in the United States of America and in Switzerland does not presuppose necessarily that said mark is well-known by the buying public. It is evident then that the Secretariat not only gave undue weight to the evidence on which it based its resolution, it also, in a manner entirely inexplicable, falsified and invented facts, since there is no evidence on which to rest its statements. In conclusion, it presumes in its own resolution to attack the owner of the registration in Mexico, forbidding him to engage in the sale of "Bulova" watches in the Mexican market and furthermore invoking the consequences provided for in the Mexican civil and penal law with regard to illegal users of marks; all this for the purpose of demonstrating his alleged bad faith. All the preceding is entirely false, because the responsible authority cannot deny that Mr. Sidney Steele traded in "Bulova" watches, that is, that he made use of his mark. It might have been possible to believe the contrary, if he had not used his mark, in which case it might be assumed that he only attempted to block access to the Mexican market by a competitor. Now, as regards the declaration of illegal use and the

threat of civil and penal consequences applicable to those who use a mark without right, these rights are established in the Law on Industrial Property and cannot be renounced by the owner of a mark nor can the exercise of such rights give rise to the supposition of bad faith on the part of the owner. In analyzing the considerations formulated by the Secretariat in the resoluton that gave rise to this *amparo* suit, it is evident that such resolution is lacking in due motive and therefore that the legal provisions on which it is founded are not applicable in the case where the action of the responsible authority is in violation of the guarantee provided for in article 16 of our Magna Charta; and that therefore the granting of protection by the Federal Courts to my principal, Mr. Sidney Steele, against the actions complained of, is in order . . ." The preceding arguments are no more than the corollary of those set forth in the first two allegations of violation. In effect; the complainant says that he was not given the evidence and that this evidence was given weight in an illogical manner. These points have already been refuted in the preceding considerations; nevertheless, the fact must be taken into account that among the evidence the Secretariat of Economy had under examination in issuing its resolution was the record of the suit brought in the State of Texas, which as has been indicated was duly translated and legalized; and it appears from that record that the complainant acted in bad faith in using and registering the "Bulova" mark, which was the property of the "Bulova Watch Company, Inc." Furthermore, there are in that record public documents, originating also in the District Court of the United States for the Western District of Texas, San Antonio Division, from which it appears that the "Bulova" mark, applied to watches, had been circulated in Spanish, years before it was registered by the present complainant. (It should be pointed out that said documents are public documents, since they originated with public officials, and are duly translated and legalized.

which gives them full weight in accordance with articles 129, 131, and 202 of the Federal Code of Civil Procedure, taking also into account the fact that the statements contained in them speak for themselves) . . . With respect to the statement that the Secretariat takes as proved something which has not been proved, there must be taken into account the fact that, if the evidence presented in that suit shows bad faith (evidence originating in the administrative controversy), and the complainant in his turn fails to demonstrate any of his statements, then the evidence presented tends to refute the facts on which the petition is based.—With the widest interpretation, and independently of the reasons alleged in the preceding considerations and in this present consideration, the thesis presented in cause number 1100, in the Appendix to Volume XCVII of the Judicial Weekly of the Federation, should be applied, which states the following: ". . . Federal Courts.—The federal courts are not the revisors of the acts of the common authority; they cannot legally, not even through the medium of the *amparo* suit, substitute their discretional opinion for that of the authorities of the common forum, but may only examine the acts complained of to see whether or not such acts violate the constitutional guarantees . . ."; in the light of this statement, the responsible authority gave proper weight to the evidence and formulated conclusions, in accordance with its own opinion of such evidence, and in bringing such evidence together, reached an opinion which cannot be revised by the Federal Judge, since the acts complained of and the facts upon which they were based are constitutional. In conclusion, this allegation of violation must be rejected, because the undersigned cannot substitute his discretional opinion and his subjective reasoning for the opinion and subjective reasoning of the responsible authority. This whole allegation of violation, that is, the argument contained in it, revolves around the value given to the evidence and the conclusions derived from such evidence, especially with respect to the bad faith of the com-

plainant. Now then, the complainant made no reference to the contents of the evidence, which was what the Secretariat took into account in its resolution, although he many times referred to documents originating in the United States, by means of which his bad faith was clearly demonstrated, especially as several years before the complainant registered his mark in Mexico this mark was registered in the United States, a circumstance known to the complainant, considering his trade as watchmaker, or better, his professional activity in that branch of industry. One other argument should be mentioned and that is, when the complainant requested the Secretariat of Economy to declare the illegal use of the "Bulova" mark, it was because this mark was used in Mexico, which corroborates the inconsistency in his argument. Lastly, it has been seen that the evidence referred to in the resolution complained of really proves what it sought to show, the conclusions being reached from it quite logically; I refer here on this point to what I have said in the preceding considerations.—4o.—Not accepting the preceding resolution, the complainant sought review, which was granted to him and in which he states in resumé the following as injuries (agravios): I. ". . . the present statement of injuries will have for its object to insist on the allegations of violation set forth in the petition of *amparo*, for the purpose of having the reviewing High Court revoke the beforementioned proceeding complained of and grant the protection of the Federal Courts." The first injury is the confirmation [by the lower court] in the suit appealed from, of the administrative proceeding of the responsible Secretariat, which violates the right to a hearing provided for in article 14 of the Constitution, to the complainant's injury; said guarantee requiring the authorities to comply with the essential procedural formalities, when the property, ownership, or rights of an individual are affected. The problem may be stated in a dual aspect: the authority must give a hearing to whomsoever may be affected by the proceeding before

said proceeding is initiated, a hearing that must be carried out in accordance with established procedure. The guartee of a hearing must be full and sufficient, not only so that the person summoned may know that the proceeding is initiated, but also in order that he may acquaint himself with the causes, reasons or bases of the claim, so that he may reply and present evidence he considers necessary in his case to discredit the facts on which the action brought against him is based. The right of defense is only possible if the interested party is informed of the terms of the action taken in derogation of his interests, and consequently, the right of a hearing, in which the interested person is informed that he will be heard and that action has been taken contrary to his interests, is not sufficient of itself, but must be accompanied by a statement of all the facts on which such action is based, together with the legal bases for said proceeding, and he must be given an opportunity to exercise his right of defense. In order to prove that the responsible authority and the District Judge both denied that the said allegation of violation had any importance in the petition, the following considerations are enough: 1.—The responsible Secretariat sent the complainant the communication here transcribed . . . (reference is made to annex number 1, which appears in the exhibits, that is, Notice number 25194 addressed by said authority to the complainant), and from said communication it appears that said authority gave notice to the complainant of the intitiation of the proceedings to declare ex oficio the nuility of mark 33602, called "Bulova", basing this on the contents of section V of article 200 of the Law on Industrial Property, and using as a basis matters considered in a separate proceeding, citing administrative declaration number 94, and concluding that from the evidence presented in said controversy it was obvious that the mark was already known in Mexico before 1933. Such were the bases in fact and in law, on which the proceeding was initiated that had for its object the declaration of the null-

ity of the mark which the responsible authority itself had registered in favor of the complainant. No obstacle was presented by the fact that the authority had carried out all the proceedings for the registration of the said mark, nor that the complainant had rights sanctioned by the said Secretariat, nor that said Secretariat had been led to initiate proceedings to declare the nullity of the mark, with all the requirements of a hearing, on the ground of bad faith in the registration, because of the conclusion it had reached in a separate proceeding which was not concerned with such bad faith. The responsible authority confused the nullity proceeding, which requires a jurisdictional proceeding for the administrative action of revocation; and consequently, the said allegation of violation is in order, in regard to the fact that the requirements of articles 229, 230 and 232 of the Law on Industrial Property were not complied with, since the reasons why the Secretariat proceeded to declare such nullity were not clearly set forth, it being insufficient to say that the cause was the bad faith in obtaining the registration; it is also necessary that a statement be made describing what the bad faith consists of and who knew the mark and what evidence was accepted in the proceeding, and also giving due importance to the principle of law that requires the persons stating a fact to prove it. In the instant case, the document containing the summons made no reference to any evidence, except that the responsible authority stated that, in view of the considerations set forth in administrative declaration number 94, it had concluded that the mark was already known in the Mexican Republic before registration. The notice referred to practically contains a resolution of the question presented for discussion, making it unnecessary to continue with the proceeding, it being indicated in this Notice that the complainant would have a period of time within which to weigh the considerations he believed relevant and to present the evidence in his favor. The Judge in the Second Whereas Clause, on analyzing the foregoing

allegations of violation, declared that the responsible authority complied with article 232 of the applicable Law, since said authority indicated section V of the article 200 of the cited law as the legal basis for the initiation of its proceeding, as well as the reasons for its action, indicating also the evidence presented in the proceeding already concluded by Notice 24844 of Nov. 16, 1950. This is not correct, because section V of article 200 of the Law invoked only indicates the procedural basis for initiating such proceeding, but it cannot be said that it refers to the legal basis for the question under discussion; therefore, as concerns the basis and motivation of the petition for nullity, the Notice does not contain more than a statement that the mark registered in favor of the complainant is null because such mark was known before such registration, this being a fact that the responsible authority must prove in the new proceeding; the result being that the judge incorrectly declared that the reasons on which the Secretariat based its action are apparent in the third paragraph of the said Notice. The responsible authority, which undertook to act ex oficio, on notifying the complainant of the terms of the petition for nullity, should have made a brief but complete statement of the facts, as is required by article 232, supporting each fact with the evidence that was in its hands, which should have been added to the file, if such evidence consisted of instruments or documents, and if it consisted of the opinions of expert witnesses, or was of any other nature, such evidence should have been offered in accordance with the requirements of the applicable law. It is, for instance, not correct to say that testimony presented in a separate proceeding has evidentiary weight in another proceeding. The judge's statement that the complainant was given an opportunity to defend his interests, because he was given a period of time in which to offer evidence, was not accurate, because if he did not have knowledge of the facts on which the action for nullity was based and reference was made to a proceeding where

questions other than those concerning such action for nullity were considered, and if every petition must be coherently made in order that the defendant may defend himself, then it is not proper to say that the notice given by the responsible authority was sufficient and legal to begin a proceeding of nullity, with the constitutional requirements of a hearing and the application of the essential rules of procedure; consequently, the judge did not correctly weigh the respective allegation of violation and the first portion of the documents complained of, and for this reason the resolution complained of must be revoked and protection granted to the complainant. Furthermore, the judge based himself on the statements made by the responsible authority in its justified report, to the effect that said authority did not need to comply with the requirements of articles 229 and 230 of the applicable law; and said it is sufficient to read article 232, which makes reference to the "manner provided for", to see that this cannot be other than that indicated by the preceding provisions, it being absurd that the responsible authority be required to pay the fees indicated there; and held further that "the manner provided for", referred to in article 232, must be interpreted to mean that the initial document must have appended to it the documents on which the proceeding is based, in accordance with article 229. The requirement that the responsible authority could and should have complied with, was the requirement established by article 232; that is, in cases where the authority acts ex oficio, the notice to the party presumed to be affected should have been made in "the manner provided for"; therefore, the authority should have sent its notice, together with certified copies of the respective evidence, in order that the defendant could, within the period granted, produce his answer and offer evidence he considered relevant, it being inadmissible that an administrative authority in undertaking proceedings should ayoid observance of the constitutional principles of every petition and the fulfilment of

essential procedural formalities. The statement of the responsible authority, that it never prevented the complainant from having access to the file, does not cure the omission in the initial document summoning him; as a consequence, the said allegation of violation must be considered to be well founded for the purpose of granting protection to the complainant, and since the judge did not so hold, his decision must be revoked and the protection requested, granted.—2.—In the Second Whereas Clause itself, subparagraph B), the judge studied the whole matter of the hearing, and it is obvious from his argument that his conclusions in denying the protection were false. The responsible Secretariat did not carry on a suit for the purpose of depriving the complainant of rights he had acquired and did not act within its jurisdictional powers, but simply revoked its prior registration, and, on informing the complainant of this fact, only gave an apparently constitutional aspect to its action; the fact that a suit was not carried on for the purpose of determining the nullity is important with regard to the guarantees contained in article 14 of the Constitution. It cannot be said that the sending of a Notice to the complainant, informing him of the initiation of a proceeding to declare null the registration of a mark because of bad faith in such registration, constitutes the initiation of a suit at law; nor that the fact that a period is granted to the defendant to oppose such proceeding and present evidence is compliance with the constitutional requirement. Even accepting for the purposes of argument the idea that the Notice met all the requirements of an administrative petition, the rest of the proceeding has nothing of the character of a judicial suit. In effect, the period provided for the presentation of evidence is only for the purpose of allowing the person presumed to be affected to present evidence he considers relevant in refuting the statement of the responsible authority, which otherwise might be taken as true. On the other hand, by a suit at law must be understood all proceedings the object of

which is to clarify legal controversies, among two or more parties; in the instant case the responsible authority acted as if the situation were one in which the suit was clear and the legal truth needed no proof, and only granted the defendant an opportunity to deny such presumed truth, the authority being in no way preoccupied with a constitutional provision article 14). The judge indicates that the decision of a legal dispute imposes the inescapable necessity of knowing what the dispute is and that in order that the deciding body have a real and true understanding of the dispute, it is necessary that the defendant make his intentions known (this being the reason that the authority has the duty, inherent in all jurisdictional functions, of granting an opportunity for defense); he concludes that all systems regulating the jurisdictional function must provide an opportunity for defense or opposition, and an opportunity for the party presumed to be affected to prove the facts upon which he bases his opposition. This correct reasoning is contradicted by the conclusions of the decision, since it appears that the judge was preoccupied with the belief that the affected party had had an opportunity to present his defense and his evidence, forgetting that in order to do this, he should have been pre nted with a brief but complete statement of the facts on which the authority based its action, whether these were self-evident or needed proof. The responsible Secretariat confused or forgot its role in an administrative proceeding; because in such a proceeding ex oficio, it has a double role, that of plaintiff and of judge. The moment in the proceedings when it acted as judge it closed the proceeding, resolving it on the basis of the evidence presented. At all other times during the proceedings prior to that mentioned above, the authority must sustain its part as plaintiff and as such, was obliged to comply with all the essential procedural formalities, through the presentation of a petition in due form, in accordance with articles 229, 230 and 232, in which evidence is offered, and disclosure is made of such

evidence, followed by pleadings and sentence. There was nothing of this in the proceeding, which did not fulfil the guarantees in article 14 of the Constitution, because the laws in effect prior to the event were not respected. In answer to the statement of the responsible authority in its declaration of nullity, that there was no provision in the Law on Industrial Property requiring that the notice referred to in article 232 meet all the requirements of a judicial petition, it is sufficient to point out that the cited article of the constitution requires that in every proceeding the essential formalities must be complied with, regardless of the procedure set up in a particular law. The responsible Secretariat attempted to differentiate, for the purposes of compliance with the essential formalities of every proceeding, between a suit initiated by petition of a private party, in which the necessity for a reply and a period for the presentation of evidence is recognized, and an ex oficio proceeding; the complainant's views on the duties of the authority as a party have already been stated. Therefore the statement to the effect that the Law of Industrial Property, in cases where the Secretariat proceeds ex oficio, does not require a petition and that the proceeding is initiated with the notice, continues with the reply and concludes with the study and decision of the matter, is incorrect.—II. In the Third Whereas Clause, the Judge analyzes the second allegation of violation, regarding article 202 of the Law of Industrial Property, a provision from which it appears that the Secretariat of Economy is obliged to apply the Civil Law, that is, the Federal Code of Civil Procedure, to the presentation and weighing of evidence. Said article 202, in regard to the fact that the Law of Industrial Property does not contain any provision bearing on this point, to make good this lacuna refers to the Civil Law; the legal provisions of the Chapter on Administrative Procedure of the Law on Industrial Property must be interpreted within a logical system, and therefore the relationship between these provisions and article

202, is evident; if the responsible authority does not respect the system of the presentation and disclosure of evidence provided by the Code referred to, it must be concluded that article 14 of the constitution has not been complied with, since the essential procedural formalities have not been fulfilled, in accordance with the laws issued prior to the fact, among them the Code referred to. Article 202, section V of the Law of Industrial Property refers to cases of error, inadvertence or differences in value on the part of the authority granting registration of a mark, which encroaches on another prior registration; this provision gives the Secretariat the power of acting ex oficio or on petition of a private party; it provides that the nullity of a mark based on bad faith in registration "may be claimed at any time," although it is only the party whose registration is affected who may claim such nullity.—The preceding being true, considering the remaining arguments in the decision appealed from, and upon the basis of the fact, which is not accepted, that the administrative proceeding was properly carried out ex oficio by the responsible authority, the resolution of the latter violates article 198 of the Federal Code of Civil Procedure, since the evidence presented in violation of the provisions contained in Title 4 of the Code itself has no value. The evidence that serves as a basis for the declaration by the responsible authority of the nullity of the "Bulova" mark was not presented nor disclosed in the suit, and through its being given weight in the decision, the provisions of the Code cited are violated. And further, what the petition for amparo shows must be emphasized, as follows: 1.—The certified and legalized copy of the record issued by the United States District Court for the Western District of Texas, San Antonio Division, with reference to some, but not all, of the questions that were put to the complainant in a suit brought against him by the Bulova Watch Inc., of New York, have no evidentiary value, according to article 203 of the Federal Code of Civil Procedure, and

furthermore no opportunity was given for him to object and add evidence, in accordance with article 142 of the Code itself. 2.—The documents containing printed or photostatic copies of contracts executed by the Bulova Watch Inc. with "The Blow Co." for advertising of the "Bulova" mark over radio broadcasting station XEQ of Ciudad Juarez, do not meet the requirements of articles 132 and 136 of the Codigo referred to, in connection with article 132 of the said Code. 3.—The declarations of various jewellers in Mexico, to the effect that the "Bulova" mark was known in the country before 1933, when said mark number 33602 was registered, are statements of third persons not parties to the suit, whose names are unknown, and who could not be cross-examined; and therefore such evidence violates articles 167, 173, 175, 176, 177, and 182 of the applicable Federal Code, and article 202 of the Law on Industrial Property. 4.—The registrations made of the "Bulova", mark indicated by the authority, which have been obtained in various countries, were not proved, nor the fact that these were prior to the Mexican registration, and if the evidence upon which the administrative resolution was based was not known to the complainant, the proceeding lacks legal basis and motivation, in violation of article 16 of the Constitution. With respect to the inconsistency in the decision appealed from, the argument contained in it contrary to the second allegation of violation must be taken into account, for this indicates that article 202 of the Law of Industrial Property only requires that evidence admitted in administrative proceedings must be the same as evidence admitted by the Civil Law, a thesis difficult to sustain, unless the judge intended to resort to the oath or to any means of proof not recognized in our law, as useless or not creditable. The truth is that article 202 could not refer to anything other than the application of the Procedural Code to matters of evidence; the judge recognizes the fact that said code must be applied in weighing such evidence, but he states that said provision does

not require that all and every one of the formalities of civil procedure must be complied with, since, on the one hand, this would be impossible because of the nature of the administrative proceeding, and, on the other, because the Secretariat of National Economy, which applies the Law of Industrial Property, does not have in its power the same means as the judicial authority to compel its determinations to be complied with, since it is an administrative authority. The preceding statement is inadmissible, it being sufficient to say that we cannot accept the idea that an administrative authority, because it is an administrative authority, may arbitrarily receive evidence, in accordance with its powers and the capacities of its officials, without this also signifying that the responsible Secretariat must observe in the proceeding all the requirements of a civil suit; or that merely because administrative causes are more expeditious, that it may fail to observe the essential rules of procedure and those governing the presentation and disclosure of evidence, in accordance with the applicable Procedural Civil Law, as required by the article 202 of the Law governing the subject. The resolution complained of analyses the various steps of the period provided for the presentation of evidence, considering that article 202 of the Law of Industrial Property makes reference to the Federal Code of Civil Procedure only as regards the admission and weighing of evidence. With regard to the admission of such evidence, this is only considered with regard to the defendant, for the responsible authority overlooks its role as the plaintiff and the fact that, as such, it is required to prove its action, and rejects the application of the Code to the presentation and disclosure of evidence; subsequently, the decision weighs the evidence, giving full weight to the declaration made by the complainant before the United States District Court of America, to the effect that the "Bulova" mark was open in Mexico, inferring in its argument that the complainant proposed to register the mark for the purpose of taking

advantage of the circulation of the mark in Mexico and abroad. This evidence has already been objected to, but in neither the conclusions of the responsible Secretariat nor in the court decisions confirming them is any bad faith proved since the word "open" merely means that the mark was not registered in Mexico and that it could be registered by whomsoever had the right to it. The declaration of Mr. Jorge Kessel Jassven, presenting a certified copy of the judicial record, does not meet the procedural requirements as regards evidence, because the complainant had no opportunity to object to it. Said evidence was offered as supervening and the responsible Secretariat admitted it in accordance with article 80 of the Federal code referred to, which implies a contradiction in the decision appealed from; because as regards the presentation of the remaining evidence, it said that this Statute should not be applied, but only as regards the evidence described. Besides, the complainant could not add to that evidence during the proceedng; it remained therefore unanswered; the evidence itself was not disclosed in this proceeding, but in a separate proceeding. The remaining arguments are a series of presumptions which are given evidentiary value without legal basis. In the Fourth Whereas Clause the decision appealed from studies the third allegation of violation, which consist of the fact that: the responsible Secretariat in giving weight to the remaining evidence mentioned in the resolution and which was not made known to the owner of the mark during the administrative proceeding, did so by giving it a value not due it since in order to show that there was bad faith in the registration of the "Bulova" mark the Secretariat states that the complainant knew of the existence of the mark in the United States of America, when such mark was still not registered in Mexico, from which it must be inferred that said registration was obtained for the purpose of taking advantage of the circulation enjoyed by such mark abroad and here. The Secretariat in holding the proceeding, took it as proven

that the said mark already had such circulation and had been used before its registration. From the evidence upon which the Judge based his decision such circulation does not appear nor the use of the mark; therefore the statement of the responsible Secretariat, confirmed by the court decision appealed from, is without meaning, as regards the fact that the registration of the mark was obtained for the deliberate purpose of causing injury to a third party, or with the intention of drawing away profit from the owner of an accredited mark and illegally appropriating said profit. The court whose opinion is appealed from went too far in interpreting the complainant's actions, attempting to guess at his intentions when he applied for and obtained the registration of the "Bulova" mark by established legal means; on the contrary, according to what the petition says, the fact is that said mark had been registered in various countries but not here and therefore could be registered as being free, and as such was registered by the Secretariat. It has not been proved that the mark had been in use here and that the registration obtained by the complainant was obtained for the purpose of causing injury to third persons; but supposing for the purposes of argument that prior use in Mexico of the mark on the part of "Bulova" of New York, had been proved, section V of article 200 would not be applicable, to declare its nullity, since "Bulova" of New York and its licensees in Mexico, before 1933 or after three years, had not registered its mark, and therefore prior registration does not exist; in regard to which there could have been error, inadvertence or a difference in value produced by the bad faith of the registrant, because the international registration carried out in Switzerland subsequent to 1933 and that in New York prior to that date would have no effect here. Consequently, the requirement concerning the value to be given to the evidence was not complied with by the responsible Secretariat and the Judge should have seen that fact for the purpose of granting protection. Lastly, the judge cites

a decision of the Supreme Court on which to base the discretionary opinion of the responsible authority, indicating that it could not be set aside even in an *amparo* suit, the federal authority being limited to deciding whether or not the acts complained of were in violation of the individual's guarantees; nevertheless, he believes that the responsible Secretariat gave due weight to the evidence, sufficiently to establish the allegation of bad faith. Such an argument lacks weight, because the value to be given to this allegation, which serves as a basis for the declared nullity, should have been a consequence of the evidence presented in a legal manner and weighed in accordance with terms of the law, which was not done. 5o.—The Agent of the Federal Public Ministry named to intervene in this Docket, requests that the decision which is the subject of the appeal be affirmed on its proper and legal bases. WHEREAS: Sole paragraph.—The injuries [agravios] set forth by the appellant must be denied, since they do not contain the necessary requisites to be considered as true injuries, since in reality, if the allegations of violation set forth in the petition for protection of constitutional guarantees and the injuries adduced in the present instance are compared; it is obvious at once that in substance the injuries referred to are nothing more than a repetition of the allegations of violation mentioned.—Furthermore, in the same petition for review appears the statement that has been duly transcribed in the Fourth Clause of this decision, in which the complainant, through his representative, says: ". . . the express statement of injuries has as its purpose to emphasize the allegations of violation stated in the petition for *amparo* . . ."; consequently, (noting in passing that the statement of refusal to accept the decisions of governmental authorities is usually not made with reference to the lower court but in regard to the administrative resolution issued by the Secretariat of National Economy) it is clearly apparent from the text of the whereas clauses, according to the fourth paragraph of the decision of the lower

court, that these allegations of violation have already been analyzed and rejected as unfounded; the appellant has not expressed any arguments that effectively demonstrate the illegality of the considerations and arguments on which the decision of the Federal Judge was based, in declaring such allegations of violation unfounded, and now has repeated these allegations, "mutatis mutandis", in the form of injuries; and in the second place, the protection requested is denied on the ground that the unconstitutionality of the actions complained of in the petition for protection of constitutional guarantees has not been demonstrated. Therefore, given the form and circumstances in which the document containing the appeal for review on the part of the complainant has been drawn up, as has been already established, these must be considered out of order and the said injuries must be rejected for the purposes of the suit.— Likewise it should be observed that, because of the form of the appellant's statement that he does not accept the actions of governmental authority, case number 64 has application here, which may be found on page 142 of the Appendix to Volume XCVII of the Judicial Weekly of the Federation, and which contains the thesis constantly applied in this court, when presented with a complaint regarding injuries such as that before it now. The thesis invoked says: "Injuries Under Review".—For the purposes of review, complaints regarding injuries are not in order, when the appellant merely reproduces, in almost the same words, the allegations of violation set forth in his petition, which have been examined and declared without foundation by the responsible judge, without setting forth any argument attacking the illegality of the decision handed down by said judge, by demonstrating violations of the law in substance or in form contained in such decision, and showing that all the requirements of judicial procedure and practice have not been met, which are indicated as appropriate to the case; and in such case, the appeal must be rejected and the decision affirmed in all its parts";

consequently, it must also be concluded that in such circumstances, the appellant's charges of injuries being out of order, the principles that the judge took into account in resolving the case, in the manner in which he so resolved it, must subsist, in order to preserve its validity and legality in denying the protection which had been petitioned for before him. Likewise and subsidiarily, also because of the form in which the appellant set forth his reasons for not abiding by the actions of governmental authority, case number 76 has application here, which may be consulted on page 145 of the Appendix and Volume already cited of the Judicial Weekly of the Federation, which says: "Injuries, Mode of Stating Them.—By injury is understood the injury to a right, caused by a judicial decision, not duly applied in accordance with law, or in which the applicable law has not been applied; consequently, in setting forth this injury, the appellant must state exactly which is the portion of the decision he complains of, must cite the legal provision violated and must explain the circumstances infringing such provision, and the statement of injury which lacks these requisites cannot be taken into consideration. In view of the manner in which the complainant stated his injuries and with basis in the precedents cited, which apply in this case, it is proper to conclude that the decision of the lower court must be affirmed, on its proper and legal bases, said decision having denied to the complainant the protection he requested in his petition for protection of constitutional guarantees, against the acts complained of in said petition.

On the basis of what has been set forth and proved, it is resolved: First.—The decision under review, given in the suit brought to protect constitutional guarantees to which this Docket refers, is hereby affirmed. Second.—The Courts of the Union do not protect or defend the complainant Sidney Steele against the actions of the Secretary of the National Economy, of which he complains through his attorney, Carlos del Castillo, which actions are: "the resolu-

tion number 1 issued by the responsible authority under date of January 4 of the current year (1951), in which the nullity of the national mark 33602, called "Bulova", the property of the complainant and which has reference to watches, is declared the consequences and effects that arise from said resolution.—THIRD.—Notice and publication of this decree shall be made; Witnesseth this resolution that the record is hereby returned to the Court in which it originated; and in due time this Docket will be filed.—Thus by a majority of three votes *contra* to that of Judge Carreno, it has been resolved by the Second Court of the Supreme Court of Justice of the Nation, Judge Octavio Mendoza Gonzalez presiding. Judge Jose Rivera P.C. was absent from the consideration of this cause. Signed by the President of the Court and the Judges composing it, and the Clerk of the same, who gives faith. President: Franco Carreno. (Signed).—Judges: Alfonso Francisco Ramirez. (Signed).—N. Guerrero. (Signed). Octavio Mendoza Gonzalez. (Signed). Clerk: Angel Salazar Arjona. (Signed). . . . This is a faithful copy taken from the original, *Compared* from which it is taken to be delivered to the interested party, with this order on this day.

Mexico, D.F., 14th of October of 1952.

Angel Salazar Arjona

Roque Estrada, President of the Supreme Court of the Nation, . . .

I certify: that the preceding signature is that of Attorney Angel Salazar Arjona, Clerk of the Second Court of this High Court, on duty on the day given and is the same signature used for all official purposes.

Mexico, Federal District, 18th of October, 1952.

Roque Estrada.

Chief Clerk

Elpidio Manrique

Enrique Rodriquez Cano, Chief Officer of the Secretariat of Government, by order of the Secretary, certifies: that Attorneys Roque Estrada and Elpidio Manrique are President and Chief Clerk, respectively, of the Supreme Court of Justice of the Nation, on the 18th of the present month and that theirs are the signatures preceding.

Mexico, D.F., Oct. 20, 1952.

E.R. Cano

Registered under the
Number 1694
The Director General of Government

Attorney Fernando Suarez del Solar.

**Affidavit of Translator**

District of Columbia: ss

I, ANYDA MARCHANT, being duly sworn, depose and say:

1. My name is Anyda Marchant; I reside at 240 Park Avenue, Takoma Park, Maryland.

2. I hereby declare that I am qualified to make translation from the Spanish language to English in legal matters; that I hold the degree of Bachelor of Laws, that I am a member of the Bar of Virginia and of the Bar of the Supreme Court of the United States, and that I have had fifteen years experience in translating and interpreting the laws of Spanish speaking countries, including, on various occasions since 1940, work for the United States Department of State as technical translator in international conferences.

3. I further declare that the attached translation is, to the best of my knowledge and ability, an accurate translation of the original Spanish text of the judgment of the Su-

preme Court of Mexico in Sidney Steele v. The Secretary of the National Economy, October 6, 1952.

ANYDA MARCHANT

Subscribed and sworn to before me, this Third day of November, 1952.

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HELEN FAUST

Notary Public, District of Columbia.

My Commission expires May 14, 1956